

Registration number: 3299841

# Touchline Event Management Limited

Director's Report and Financial Statements  
for the Year Ended 30 September 2008

Leathers LLP  
Chartered Accountants and Registered Auditors  
17th Floor  
Cale Cross House  
Pilgrim Street  
Newcastle upon Tyne  
NE1 6SU



**Touchline Event Management Limited**  
**Company Information**

|                          |   |
|--------------------------|---|
| <b>Director</b>          | M Partridge   |
| <b>Secretary</b>         | WM Muir   |
| <b>Registered office</b> | 7 Allison Court<br>Metro Centre<br>Gateshead<br>Tyne & Wear<br>NE11 9YS   |
| <b>Bankers</b>           | Barclays Bank plc<br>PO Box 379<br>71 Grey Street<br>Newcastle upon Tyne<br>NE99 1JA  |
| <b>Auditors</b>          | Leathers LLP<br>Chartered Accountants and Registered Auditors<br>17th Floor<br>Cale Cross House<br>Pilgrim Street<br>Newcastle upon Tyne<br>NE1 6SU |

**Touchline Event Management Limited**  
**Director's Report for the Year Ended 30 September 2008**

The director presents his report and the audited financial statements for the year ended 30 September 2008.

**Principal activity and business review**

The Company's principal activity during the period was the provision of stewarding services at sporting and other events.

The directors are satisfied with the results for this financial year and with the steady expansion of its customer base.

The directors consider the state of the Company's affairs to be satisfactory and the following key performance indicators (KPI's) to be appropriate:-

*Gross Profit Margin:* The gross profit margin achieved for the year was 26.6% (2007 - 33.9%).

*Sales per direct employee:* Sales per direct employee during the year were £4,750 (2007 - £3,799).

**Directors**

The directors who held office during the year were as follows:

- M Partridge (Appointed 11 July 2008)
- WM Muir
- PG Durham

WM Muir retired as a director on 3 October 2008.

PG Durham resigned as a director on 31 July 2008.

**Touchline Event Management Limited**  
**Director's Report for the Year Ended 30 September 2008**

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**Director's responsibilities**

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Directors are required by company law to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the period ending on that date. In preparing those financial statements, directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

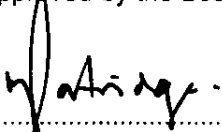
The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure the financial statements comply with the Companies Act 1985. He has general responsibility for taking such steps as are reasonably open to him to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The director has taken steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information. The director confirms that there is no relevant information that he knows of and which he knows the auditors are unaware of.

**Auditors**

The auditors, Leathers LLP, will be proposed for re-appointment in accordance with section 487 of the Companies Act 2006.

Approved by the Board on 4 March 2009 and signed on its behalf by:



M Partridge  
Director

## **Independent Auditors' Report to the Members of Touchline Event Management Limited**

We have audited the financial statements of Touchline Event Management Limited for the year ended 30 September 2008 set out on pages 6 to 13. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As described in the statement of Director's responsibilities on page 3, the company's director is responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Director's Report is consistent with the financial statements. In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Director's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Independent Auditors' Report to the Members of  
Touchline Event Management Limited**

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**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 September 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Director's Report is consistent with the financial statements.

.....  
Leathers LLP  
Chartered Accountants and Registered Auditors

4 March 2009

17th Floor  
Cale Cross House  
Pilgrim Street  
Newcastle upon Tyne  
NE1 6SU

**Touchline Event Management Limited**  
**Profit and Loss Account for the Year Ended 30 September 2008**

|  | <b>Note</b> | <b>2008<br/>£</b> | <b>2007<br/>£</b>    |
|--|-------------|-------------------|----------------------|
| Turnover   | 2           | 403,732           | 368,492              |
| Cost of sales  |             | (296,181)         | (243,683)            |
| <b>Gross profit</b>                                  |             | <u>107,551</u>    | <u>124,809</u>       |
| Administrative expenses                              |             | (107,350)         | (112,130)            |
| <b>Operating profit</b>                              | 3           | <u>201</u>        | <u>12,679</u>        |
| <b>Profit on ordinary activities before taxation</b> |             | <u>201</u>        | <u>12,679</u>        |
| <b>Profit for the financial year</b>                 | 11          | <u><u>201</u></u> | <u><u>12,679</u></u> |

Turnover and operating profit derive wholly from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 9 to 13 form an integral part of these financial statements.

**Touchline Event Management Limited**  
**Balance Sheet as at 30 September 2008**

|   |      | 2008            |                | 2007             |                |
|---|------|-----------------|----------------|------------------|----------------|
|   | Note | £               | £              | £                | £              |
| <b>Fixed assets</b>                                   |      |                 |                |                  |                |
| Tangible assets                                       | 6    |                 | 107            |                  | 206            |
| <b>Current assets</b>                                 |      |                 |                |                  |                |
| Stocks  | 7    | 8,750           |                | 7,164            |                |
| Debtors   | 8    | 262,752         |                | 88,773           |                |
| Cash at bank and in hand                              |      | 55,976          |                | 234,326          |                |
|   |      | <u>327,478</u>  |                | <u>330,263</u>   |                |
| <b>Creditors: Amounts falling due within one year</b> | 9    | <u>(99,728)</u> |                | <u>(102,813)</u> |                |
| <b>Net current assets</b>                             |      |                 | <u>227,750</u> |                  | <u>227,450</u> |
| <b>Net assets</b>                                     |      |                 | <u>227,857</u> |                  | <u>227,656</u> |
| <b>Capital and reserves</b>                           |      |                 |                |                  |                |
| Called up share capital                               | 10   |                 | 100            |                  | 100            |
| Profit and loss reserve                               | 11   |                 | <u>227,757</u> |                  | <u>227,556</u> |
| <b>Shareholders' funds</b>                            | 12   |                 | <u>227,857</u> |                  | <u>227,656</u> |

These accounts were approved by the Director on 4 March 2009

  
 M Partridge  
 Director

The notes on pages 9 to 13 form an integral part of these financial statements.



**Touchline Event Management Limited**  
**Cash Flow Statement for the Year Ended 30 September 2008**

|   |      | 2008                    | 2007                  |
|---|------|-------------------------|-----------------------|
|   | Note | £                       | £                     |
| Net cash flow from operating activities | 14   | <u>(178,350)</u>        | <u>119,845</u>        |
| <b>Net cash flow</b>                    |      | <u><u>(178,350)</u></u> | <u><u>119,845</u></u> |

**Reconciliation of net cash flow to movement in net funds**

|   |      | 2008                 | 2007                  |
|---|------|----------------------|-----------------------|
|   | Note | £                    | £                     |
| (Decrease)/increase in cash in the year       | 15   | <u>(178,350)</u>     | <u>119,845</u>        |
| Change in net funds resulting from cash flows |      | <u>(178,350)</u>     | <u>119,845</u>        |
| Net funds at the start of the year            | 15   | <u>234,326</u>       | <u>114,481</u>        |
| <b>Net funds at the end of the year</b>       | 15   | <u><u>55,976</u></u> | <u><u>234,326</u></u> |

The notes on pages 9 to 13 form an integral part of these financial statements.

**Touchline Event Management Limited**  
**Notes to the Financial Statements for the Year Ended 30 September 2008**

**1 Accounting policies**

**Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

**Going concern**

These financial statements have been prepared on a going concern basis.

**Turnover**

Turnover represents amounts invoiced, net of value added tax, in respect of services to customers.

**Fixed assets**

All fixed assets are initially recorded at cost.

**Depreciation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Fixtures, fittings and equipment      3-6 years

**Stock**

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**2 Turnover**

An analysis of turnover by geographical market is given below:

|                | <b>2008</b>    | <b>2007</b>    |
|----------------|----------------|----------------|
|                | <b>£</b>       | <b>£</b>       |
| United Kingdom | <u>403,732</u> | <u>368,492</u> |

**Touchline Event Management Limited**  
**Notes to the Financial Statements for the Year Ended 30 September 2008**

..... continued

**3 Operating profit**

Operating profit is stated after charging:

|   | <b>2008</b>       | <b>2007</b>       |
|---|-------------------|-------------------|
|   | <b>£</b>          | <b>£</b>          |
| The audit of the company's annual accounts  | 3,000             | 3,000             |
| Depreciation of owned tangible fixed assets | 99                | 115               |
|   | <u>          </u> | <u>          </u> |

**4 Particulars of employees**

The average number of persons employed by the company during the year, analysed by category, was as follows:

|                      | <b>2008</b>       | <b>2007</b>       |
|----------------------|-------------------|-------------------|
|                      | <b>No.</b>        | <b>No.</b>        |
| Stewards             | 85                | 97                |
| Administrative staff | 1                 | 1                 |
| Management staff     | 1                 | 1                 |
|                      | <u>          </u> | <u>          </u> |
|                      | <u>87</u>         | <u>99</u>         |

The aggregate payroll costs of these persons were as follows:

|                    | <b>2008</b>       | <b>2007</b>       |
|--------------------|-------------------|-------------------|
|                    | <b>£</b>          | <b>£</b>          |
| Wages and salaries | 282,138           | 262,187           |
| Social security    | 13,091            | 6,430             |
|                    | <u>          </u> | <u>          </u> |
|                    | <u>295,229</u>    | <u>268,617</u>    |

**5 Directors' emoluments**

No emoluments were paid to the directors during the year (2007 - £Nil).

**Touchline Event Management Limited**  
**Notes to the Financial Statements for the Year Ended 30 September 2008**

..... continued

**6 Tangible fixed assets**

|  | <b>Fixtures,<br/>fittings and<br/>equipment<br/>£</b> |
|--|---|
| <b>Cost</b>                                |   |
| As at 1 October 2007 and 30 September 2008 | <u>8,974</u>  |
| <b>Depreciation</b>                        |   |
| As at 1 October 2007                       | 8,768   |
| Charge for the year                        | <u>99</u>   |
| As at 30 September 2008                    | <u>8,867</u>  |
| <b>Net book value</b>                      |   |
| As at 30 September 2008                    | <u>107</u>  |
| As at 30 September 2007                    | <u>206</u>  |

**7 Stocks**

|        | <b>2008<br/>£</b> | <b>2007<br/>£</b> |
|--------|-------------------|-------------------|
| Stocks | <u>8,750</u>      | <u>7,164</u>      |

**8 Debtors**

|                                    | <b>2008<br/>£</b> | <b>2007<br/>£</b> |
|------------------------------------|-------------------|-------------------|
| Trade debtors                      | 92,552            | 87,180            |
| Amounts owed by group undertakings | 154,308           | -                 |
| Other debtors                      | 10,073            | 749               |
| Prepayments and accrued income     | 5,819             | 844               |
|                                    | <u>262,752</u>    | <u>88,773</u>     |

**Touchline Event Management Limited**  
**Notes to the Financial Statements for the Year Ended 30 September 2008**

..... continued

**9 Creditors: Amounts falling due within one year**

|                                    | <b>2008</b>   | <b>2007</b>    |
|------------------------------------|---------------|----------------|
|                                    | <b>£</b>      | <b>£</b>       |
| Trade creditors                    | 69,652        | 4,356          |
| Amounts owed to group undertakings | -             | 59,452         |
| Social security and other taxes    | 4,912         | 18,684         |
| Accruals and deferred income       | 25,164        | 20,321         |
|                                    | <u>99,728</u> | <u>102,813</u> |

**10 Share capital**

|   | <b>2008</b>  | <b>2007</b>  |
|---|--------------|--------------|
|   | <b>£</b>     | <b>£</b>     |
| <b>Authorised</b>                         |              |              |
| <b>Equity</b>                             |              |              |
| 1,000 Ordinary shares of £1 each          | <u>1,000</u> | <u>1,000</u> |
| <b>Allotted, called up and fully paid</b> |              |              |
| <b>Equity</b>                             |              |              |
| 100 Ordinary shares of £1 each            | <u>100</u>   | <u>100</u>   |

**11 Reserves**

|  | <b>Profit and<br/>loss reserve<br/>£</b> |
|--|--|
| Balance at 1 October 2007                          | 227,556                                  |
| Transfer from profit and loss account for the year | 201                                      |
| Balance at 30 September 2008                       | <u>227,757</u>                           |

**12 Reconciliation of movements in shareholders' funds**

|   | <b>2008</b>    | <b>2007</b>    |
|---|----------------|----------------|
|   | <b>£</b>       | <b>£</b>       |
| Profit attributable to members of the company | 201            | 12,679         |
| Opening shareholders' funds                   | 227,656        | 214,977        |
| Closing shareholders' funds                   | <u>227,857</u> | <u>227,656</u> |

**Touchline Event Management Limited**  
**Notes to the Financial Statements for the Year Ended 30 September 2008**

..... continued

**13 Contingencies**

The company has entered into an unlimited bank cross guarantee with St James Security Limited, IPC International Corporation (UK) Limited and SJS (Holdings) Limited.

**14 Reconciliation of operating profit to operating cash flows**

|  | <b>2008</b>      | <b>2007</b>    |
|--|------------------|----------------|
|  | <b>£</b>         | <b>£</b>       |
| Operating profit   | 201              | 12,679         |
| Depreciation, amortisation and impairment charges          | 99               | 115            |
| (Increase)/decrease in stocks                              | (1,586)          | 1,017          |
| (Increase)/decrease in debtors                             | (173,979)        | 40,646         |
| (Decrease)/increase in creditors                           | (3,085)          | 65,388         |
| <b>Net cash (outflow)/inflow from operating activities</b> | <u>(178,350)</u> | <u>119,845</u> |

**15 Analysis of net funds**

|                          | <b>At start of period</b> | <b>Cash flow</b> | <b>At end of period</b> |
|--------------------------|---------------------------|------------------|-------------------------|
|                          | <b>£</b>                  | <b>£</b>         | <b>£</b>                |
| Cash at bank and in hand | <u>234,326</u>            | <u>(178,350)</u> | <u>55,976</u>           |

**16 Related parties**

**Controlling entity**

The company's immediate parent undertaking is IPC International Corporation (UK) Limited, which owns 100% of the issued share capital.

In the directors' opinion, at 30 September 2008 the company's ultimate parent undertaking is The Security Network Holding Corporation, a company incorporated in the USA. There is no ultimate controlling party.

**Related party transactions**

Related party transactions with parent and fellow and subsidiary undertakings have not been disclosed in accordance with the exemption conferred by Financial Reporting Standard No. 8 – Related Party Disclosures.